

CAMBRIDGESHIRE POLICE AND CRIME COMMISSIONER

MEDIUM TERM FINANCIAL PLAN 2016/17 TO 2019/20

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1. Introduction

1.1 The Medium Term Financial Plan (“MTFP”) is Cambridgeshire’s Police and Crime Commissioner’s (“the Commissioner’s”) key financial planning document.

1.2 The MTFP identifies:-

- the revenue budget requirement for the next financial year and the forecasts for the following three years;
- how the budget requirement is financed;
- how budget settlements in the next few years will be addressed whilst still protecting the number of officers, especially local policing; and
- future funding changes and risks.

1.3 The MTFP identifies the challenges and opportunities for the Commissioner in seeking to achieve a balance between:

- frontline service delivery and achievement of the key Police and Crime Plan (“the Plan”) objectives over the next four years
- accommodating known increases in costs within the current economic climate

1.4 This must be achieved against a background of:

- government grant reducing in real terms over the life of the MTFP
- and:
- public expectations around the affordability of Council Tax increases

2. Cambridgeshire’s Police and Crime Plan

2.1 The Plan sets out the Commissioner’s objectives for reducing crime and disorder in Cambridgeshire, supporting victims, how policing resources will be allocated and agreements for funding and reporting on the work. Due regard must be given to the Strategic Policing Requirement issued by the Home Secretary. Personal pledges are contained throughout the Plan which the Commissioner included in direct response to what members of the public told him is important to them.

2.2 The Plan’s objectives and pledges are to:

Objective	Pledges
1. Maintain local police performance	<ul style="list-style-type: none"> • Call Handling – Better and faster response • Special Constables – Increasing numbers • Local Policing – Meeting local needs • Working in Partnership • Holding Police to account
2. Deliver policing within the available budget	<ul style="list-style-type: none"> • Visible Policing • Increased Collaborative working
3. Continue to tackle crime and disorder	<ul style="list-style-type: none"> • Tackling Anti-Social Behaviour • Burglary – Monitoring burglary detection rates • Drugs – Supporting work of partners
4. Keeping people safe	<ul style="list-style-type: none"> • Taking a preventative approach • Young People – Divert them away from a life of crime
5. Maintaining the resilience of protective services	<ul style="list-style-type: none"> • Increased collaborative working

2.3 The Plan also has regard to crime and disorder reduction priorities set by partners, and the strategic direction of the criminal justice system. The Commissioner must consult the Chief Constable in preparing any changes to the Plan before it is sent to the Police and Crime Panel (“the Panel”) for consideration of any changes.

3. Revenue Funding (income from which spending is financed)

3.1 Police and crime spending, the Net Budget Requirement (“NBR”) is financed from two main sources, government grant (Police Grant) and council tax. The NBR also includes specific government grants and locally generated income.

Police Grant

3.2 On 25 November 2015 the Chancellor announced the joint Spending Review and Autumn Statement 2015. The Spending Review set out the Government’s plans for revenue and capital funding for each Government department for the

period 2016/17 to 2019/20. The Provisional 2016/17 Police Finance Settlement was announced on 17 December 2015 and confirmed in the Final Settlement announced in a written ministerial statement on 4 February 2016. The statement announced a flat rate reduction in grant funding of 0.6% in cash terms. Once legacy council tax grants are taken into account, this is equivalent to a £416k cash reduction (0.52%) in overall policing grant for Cambridgeshire.

- 3.3 The plan attached at Appendix A has been put together by the Office of the Police and Crime Commissioner (“OPCC”) in consultation with the Chief Constable. The legacy council tax grant used to be shown separately from the main formula grant in previous MTFPs; in the MTFP in Appendix A both grants are now shown together under the heading ‘Formula Grant’ as they should be considered as a whole funding pot.
- 3.4 The Police Finance Settlement covers 2016/17 only. A prudent assumption has been made that the grant will be reduced by 1.00% per annum for the remainder of the MTFP period.
- 3.5 Cambridgeshire Constabulary has always believed it is disadvantaged by the current funding mechanism and has pressed for a fairer share of the funding ‘cake’ which recognises local population growth and diversity. The organisation loses approximately £2m year on year to the funding floor. This is a mechanism devised by government which equalises out the funding formula across the police service so that no one Force loses or gains too much as a result of applying the formula. Therefore some Forces gain more as a result of the equalisation process and some, like Cambridgeshire, lose. This has been going on now for nearly 12 years, however further consultation on a proposed new model for the police funding formula is due for 2016 with implementation in 2017/18 after having been delayed from a 2016/17 launch.

Specific Grants

- 3.7 For 2016/17 the Commissioner has allocated £2.28m of grant funding to use towards various community safety and victim-led initiatives/services. These Specific grants have controls in place and must demonstrate that the money has been used for the correct purpose as outlined below:-
 - The Police and Social Responsibility Act 2011 gave Commissioners the powers to make crime and disorder reduction grants. During 2014/15 the Commissioner took over grants previously issued by the Constabulary and integrated them with the Community Safety Grants. The Commissioner made grants of £1,307k in 2015/16 and will be making grants of £1,300k in 2016/17.
 - The Commissioner received £910k during 2015/16 from the Ministry of Justice to commission services for victims and will receive £981k for this purpose in 2016/17. This funding is allocated to enable all Police and Crime Commissioners to provide:

- (i) services for victims of crime and particularly victims in the priority categories outlined in the Victims' Code: victims of the most serious crime, persistently targeted victims, and vulnerable or intimidated victims, to help them cope with the immediate impacts of crime and, as far as possible, recover from the harm they have experienced
- (ii) services for victims of sexual and/or domestic violence;
- (iii) support services for family members;
- (iv) Capacity and capability building for restorative justice services (this element of the grant is unringfenced).

Charging for Services

- 3.8 Powers exist to charge for external use of police services on a break-even basis. The application of charges can be problematic due to the nature of some events, such as football matches, which can have an impact in the wider community. If all costs were applied, an event could become unviable, disadvantaging especially smaller community-based events. The Commissioner has an approved Charging Policy, updated annually to reflect changes, which is compliant with the guidance, consistent with the National Guidelines on Charging for Police Services and considers the impact on smaller community based events. This policy was most recently reviewed at the Commissioner's Finance Sub-Group on 19 March 2015. Funds received largely remain with local policing.
- 3.9 For greater clarity, from 2016/17 income has been split in the MTFP in Appendix A between Cambridgeshire-specific income and that coming from functions that are in the process of being collaborated.

Council Tax

- 3.10 Since taking Office in November 2012, the Commissioner has been ensuring that the Constabulary is delivering effective and efficient policing to the people of Cambridgeshire, which is sustainable in the future. To ensure that this can be achieved the Commissioner is overseeing (in conjunction with the Constabulary) the delivery of the provision of mobile technology and Collaboration with Bedfordshire Police and Crime Commissioner/Police together with Hertfordshire Police and Crime Commissioner/Constabulary.
- 3.11 When considering the council tax, the Commissioner has ensured all efficiencies are identified, performance is protected, and that the reserve levels are at an appropriate level to meet the needs of policing. During the Commissioner's 2012 Election campaign, the Commissioner had stated he would ensure value for money policing with no extra burden on the council taxpayer.

- 3.12 Between March 2012 (the budget inherited by the Commissioner from the Police Authority) and November 2015 the change in key national financial indicators has been as follows:
- Consumer Price Index: 4.99%
 - Retail Price Index: 7.89%
 - Average weekly earnings: 6.02% (figures to October 2015 – November 2015 data not yet available)
- 3.13 The Provisional Settlement announced that no PCC will face a cash reduction in Formula Funding plus legacy council tax grants plus precept income, as long as they maximise their precept.
- 3.14 For the above reasons and also due to projects currently in place to deliver future efficiencies, the Commissioner will be increasing council tax by 0.99% for 2016/17. This would see the policing element of a 2016/17 Band D council tax increasing from £181.35 to £183.16 per annum, an increase of 3.5p per week. The Commissioner wants to ensure he has listened to what people have told him, balancing their expectations of police visibility with affordability of tax increases, whilst driving efficiencies. This means that between 2012/13 and 2016/17 the total increase in council tax for a Band D property was 4.951%, marginally less than any of the indicators in 3.12.
- 3.15 The OPCC has prepared this plan with an assumption of 1.99% per annum being included for 2017/19 to 2019/20 in line with the Government funding expectations.
- 3.16 Under the Localism Act 2011, the Government sets a limit (the excessive amount) on council tax increases. The 25 November 2015 Autumn Statement set a limit of 2% for 2016/17 for policing except for the ten lowest-charging police forces for which a limit of £5 was set; therefore the limit for Cambridgeshire is 2%.
- 3.17 If the Commissioner wishes to champion a council tax increase in excess of the prescribed limit a referendum would have to be held and the costs of the referendum picked up by the Commissioner's budget.
- 3.18 The Commissioner notified the Panel of his proposal to increase the policing element of the precept by 0.99% for the financial year 2016/17. The Panel endorsed this recommendation at their meeting on 3 February 2016.

4. Revenue Budget Planning

Budget Strategy

- 4.1 Underpinning the decision making process is a prudent and robust approach to the stewardship and management of financial resources by both the

Commissioner and the Chief Constable. This is reflected in the service and financial planning process, and in the management of borrowings, investments and reserves.

4.2 The Commissioner has in place governance procedures to ensure full and robust scrutiny of the Chief Constable's finances. Financial Regulations and Force Finance Instructions set out the framework for financial decision making.

4.3 The Commissioner's key principles for sound budget setting are as follows:

- The Chief Finance Officer (the "CFO") of the Commissioner and Director of Finance and Resources of the Constabulary will look forward to find suitable projects and initiatives to help to meet future savings requirements; short-term measures will never be taken at the expense of long-term financial stability.
- The guiding principle in setting the precept is to achieve value for money policing whilst not increasing the burden on the taxpayer.
- Every effort will be taken to protect frontline policing to fulfil the Commissioner's and Constabulary's statutory functions and meet the public's needs and expectations, as exemplified in the new Chief Constable's operational policing strategy of safeguarding the vulnerable, attacking criminality, preventing and reducing crime, achieving excellent value for money and reassuring the public. The financial strategy will never be viewed in isolation.
- Long-term borrowing shall not be used for short-term needs: the lifetime of loans should closely match the lifetime of the assets that they are financing.
- Virements shall only be used to correct budget allocations between cost lines where it is found after budget approval that a particular cost more sensibly sits in a different cost centre; they are not used to mitigate overspends. This will facilitate sound financial management and visibility of any over- or underspends.

Key Features of the Budget Process

4.4 A sound financial strategy is the key enabler to the achievement of the Pledges set out in Section 2 above, the objectives of the operational policing strategy and the protection of front-line policing. The best way to keep people safe and maintain police resources and people's confidence in the police is to place an emphasis on long-term financial and strategic management as a whole; the Commissioner and Constabulary never look at expenditure numbers in isolation.

4.5 Analysing and setting the Commissioner's and Constabulary's budgets is an iterative and ongoing process. Initial drafts of the following year's budget are prepared throughout the current year. The budget setting process continues

in earnest in September; the known factors including contractual commitments, cost pressures and savings identified during the current financial year, alongside assumptions relating to central government funding. These factors set the financial landscape for the coming year. The Constabulary's Budget Managers are tasked with reviewing their budgets and recommending savings. This work is undertaken in close co-operation with the Constabulary's Finance Team.

- 4.6 The Deputy Commissioner, Commissioner's CFO and Constabulary Director of Finance and Resources meet regularly from September to consider the draft budget and MTFP, challenging assumptions and analysing savings in order to improve a realistic and sustainable financial plan that enables the Constabulary to bring the operational policing strategy to fruition.
- 4.7 Budget monitoring reports are presented to the Commissioner's monthly Finance Sub-Group, chaired by the Deputy Commissioner, whose minutes are reported to the Business Co-ordination Board. This ensures that the savings and efficiencies are achievable and the Constabulary continually strives to ensure effective and efficient policing. During the current year the budget for 2015/16 has been updated to reflect actual structures in local policing and collaboration and therefore a reconciliation between these categories will be provided as part of the precept-setting report.
- 4.8 Peer review and scrutiny of the budget and MTFP is achieved by consideration, discussion and challenge at the following levels:
- Force Executive Meetings
 - Chief Constable's Governance Board
 - Constabulary Operational Financial Planning Days
 - Constabulary Change Management Board which oversees the capital programme
 - Joint reviews by heads of service and Finance Team
 - Finance Sub-Group
 - Business Co-ordination Board meetings

Risks, Uncertainties and Spending Pressures

- 4.9 The main risks and uncertainties in the MTFP comprise:
- Pay awards and increments and pension costs
 - Inflationary pressures

- Energy costs – predicting whether and to what extent the current low energy costs will continue.
 - In July 2015, the Government proposed a new, simplified allocation model for the police funding formula. The Commissioner’s CFO and Constabulary’s Director of Finance and Resources issued joint responses to the two rounds of consultation that were broadly positive but highlighted concerns with the formula, most notably around the lack of inclusion of non-crime data. On 9 November 2015 the Home Office announced a delay to the finalisation and implementation of the funding formula to 2017/18 with further consultation due to take place in 2016. Implementation of the revised formula is likely to be slow.
 - Police Grant – reduction expected over 2017/18 to 2019/20 of up to 1% per annum, to take account of Home Office top slicing of the Police Grant.
 - At the present time the exact Police share of the £1bn for the Emergency Services Network (“ESN”) system (the replacement for Airwaves) is not known. The magnitude and timing of the device, vehicle and control room costs are uncertain and the financial pressure in future years associated with this new system will be significant. The ESN architecture will be funded by the Government top-slicing the national police grant.
 - The future costs of the Athena system (a ‘one-stop’ IT system which will help police to identify criminals more quickly and increase the potential to catch criminals) can only be estimated at this stage as the project is in development.
 - Overtime claims for undercover officers – the claim is passing through the courts at present and the outcome remains uncertain.
- 4.10 National Insurance Contributions represent an additional cost pressure from 2016/17. The effect of the Government’s ending of Contracted Out National Insurance will place £2m additional cost onto our employer’s National Insurance contributions from 2016/17 onwards. This is a significant contributory factor to balancing the budget in future years.

Budget and MTFP 2016/17 to 2019/20

- 4.11 The MTFP identifies further budget gaps totalling £6.3m over the next four years, shown in Table 1 below:

Table 1

	Forecast	Forecast	Forecast	Forecast
	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000
NBR	130,504	135,938	138,530	140,261
FINANCING	130,504	131,301	132,597	133,985
GAP	0	-4,637	-5,933	-6,276
		-4,637	-1,295	-343

- 4.12 In the MTFP in Appendix A, services in the process of being collaborated with Bedfordshire Police and Hertfordshire Constabulary were included within the local policing figures in 2015/16. For the 2016/17 budget and beyond these are shown within a separate section titled 'To Be Collaborated', thus giving a more detailed picture of the Local Policing budget going forward.
- 4.13 Work to balance the budget for the period 2017/18 to 2019/20 continues to focus on collaboration initiatives as part of the Constabulary's three-way Strategic Alliance with Bedfordshire Police and Hertfordshire Constabulary. This collaboration, coupled with the embedding of tuServ (the IT streamlining of processes to deliver information directly to the front-line) and further local savings in areas such as procurement and strategic use of estates, are projected to deal with the funding gap in the medium term.

Bedfordshire, Cambridgeshire and Hertfordshire Collaboration

- 4.14 Collaboration between Bedfordshire, Cambridgeshire and Hertfordshire is delivering a significant contribution to the overall goal of the three forces to scale back office costs by up to £20m each year from a baseline of £120m. This Strategic Alliance enables the three forces to develop plans to collaborate on a range of operational support and organisational support functions. The three are already collaborating on a number of areas including Armed Policing, Procurement, the Professional Standards Department and Roads Policing. The Alliance signed the legal agreement under Section 22A of the Police Act ("the S22A Agreement") on 27 November 2015 to progress with the collaboration of the following areas, creating savings of £2.8m for Cambridgeshire from 2017/18 to 2019/20:
- **Public Contact:** an integrated tri-force public contact service incorporating digitally enabled public services, with increased online access and self-service to provide an improved citizen experience, whilst reducing demand on police resources and increasing resilience.

- Human Resources and Learning and Development: a single organisational support function covering recruitment, knowledge and skills building, managing change programmes, health and safety, and application of regulations, terms and conditions in a unified way.
- Firearms and Explosives Licensing: a single tri-force structure and process to manage applications, renewals and revocations of firearms and explosives licences, and manage risk and appropriate use of intelligence.

4.15 Additional areas where there is evidence that collaboration will improve efficiency and resilience include Information Management, ICT, Criminal Justice and Custody and collaboration plans in these areas are also progressing. Full Business Cases were agreed for these areas on 13 October 2015. The S22A agreement for ICT was signed on 28 January 2016. Strategic work on the remaining S22A Agreements, and practical implementation plans, are already in hand with expectations of savings coming to fruition from 2017/18 to 2019/20 predicted to be £1.5m.

4.16 Total collaboration savings for 2017/18 to 2019/20 including Joint Protective Service and the Eastern Regions Special Operations Unit (ERSOU) are predicted to reach £5.8m.

ERSOU:

4.17 ERSOU was established in 2010 to deliver an increased response to tackling the threat of organised crime across the six police forces/police and crime commissioners (Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk) in the Eastern Region of the United Kingdom and to provide specialist covert policing capability to law enforcement. The Collaboration includes the Eastern Region Intelligence Unit, Regional Asset Recovery Team, Asset Confiscation Enforcement and the Cyber Crime Unit.

4.18 The budget includes a £2.4m contribution to this collaboration, which reflects the cost of the services that are within ERSOU.

Seven-Force Collaboration:

4.19 Wider collaboration across the Eastern Region covers the counties of Bedfordshire, Cambridgeshire, Hertfordshire, Norfolk, Suffolk, Essex and Kent. A collaboration team has been set up and an initial collaboration covering the areas of procurement, vetting and the anti-corruption element of the Professional Standards Department is in development. No savings have been assumed from this initiative in the MTFP period as the collaboration is in an early stage of development, but the expectation is that it will deliver savings in the longer term.

Other Joint Arrangements:

4.20 The Commissioner is also engaged in a national arrangement for the provision of air support for the Cambridgeshire through the National Police Air Service

(NPAS) and ensuring custody capacity through an arrangement with Norfolk Police to share the use of King's Lynn Police Investigation Centre.

Budget Assistance Reserve

- 4.21 The revenue budget for 2016/17 seeks to utilise £1,967k of Budget Assistance reserve, to balance the budget while the changes and savings being achieved through organisational and operational support collaboration are realised. Opportunities to replenish this reserve will be sought throughout the MTFP period as those benefits materialise in later years.
- 4.22 With the use of the Budget Assistance reserve and the Collaboration benefits beginning to be realised, a balanced budget for 2016/17 has been achieved. We are also confident that collaboration will be a major contributor in reducing the identified gap in the MTFP over the next 4 years, as described above.

The Policing Front-Line

- 4.23 Continuing to transform the way the service is delivered through Collaboration and technology-enabled agile working will enable us in future years to help maintain the service to the public by allowing more operational hours to be spent out on the street.

OPCC Budget

- 4.24 The OPCC budget for 2016/17 is £1,229k (2015/16: £1,219k). Increased staffing costs of £24k (mainly relating to increased National Insurance and pension costs for 2016/17) are to be offset by savings in premises costs, supplies and services of £14k.

5. Capital Strategy and Budgeting

- 5.1 Capital investment proposals are appraised in a structured and consistent manner so as to ascertain whether the plans are affordable, prudent and sustainable and that they contribute to the delivery of the Plan priorities.
- 5.2 There are limited resources available to finance capital spending. They include:
- Capital Grants – from the Home Office. Cambridgeshire has been notified that its allocation of the capital grant for 2016/17 will include a reduction of 40%.
 - Capital Receipts – from the sale of land or property
 - Capital Reserves – when supported by cash in the medium term cash flow forecast

- RCCO – revenue contribution to capital outlay
- Borrowing – only for significant long term assets, approved by the Commissioner and in accordance with the Prudential Code for Capital Finance.

5.3 The Commissioner, since his arrival in November 2012, has stated his desire to see no more public sector borrowing within the organisation. The Capital Programme Plan currently contains no requirement to borrow for any future schemes.

5.4 The Capital Programme Plan is updated on an annual rolling review basis and the 2016/17 to 2019/20 Programme will be presented to the Commissioner alongside the MTFP.

6. Reserves

6.1 The Commissioner holds a general reserve, primarily as a contingency for the cost of major police operations. This reserve currently totals £7.2m or 5.5% of the Net Budget Requirement for 2016/17 which is considered a prudent percentage of the total budget to hold as a general reserve for operational contingencies.

6.2 There are also a number of earmarked reserves, primarily to deal with insurance, collaboration and capital expenditure, as well as the Budget Assistance reserve mentioned in paragraph 4.22 above; the Budget Assistance reserve currently stands at £9.8m.

6.3 As the Commissioner has committed to not increasing the borrowing requirement, any reserves that are spent must be supported through the cash-flow report to ensure we have the cash at bank to make the purchase. At present we have a running cash flow of £16m and therefore any spend above this level would result in the need to increase borrowing.

6.4 Reserves can only be spent once, so should be used to finance one-off spending (e.g. capital schemes) or to finance revenue spending pending savings coming on stream.

7. Conclusion

7.1 In order to continue to balance the budget and ensure strong operational performance the Commissioner and Constabulary have plans to continue to redesign and transform service delivery. Setting a robust budget and MTFP is a key plank in keeping people safe and maintaining police resources and people's confidence.

	Original Budget 2015/16 £'000	Updates To Budget 2015/16 £'000	Updated Budget 2015/16 £'000	Original Proposed Budget 2016/17 £'000	Updates To Budget 2016/17 £'000	Final Proposed Budget 2016/17 £'000	Forecast Budget 2017/18 £'000	Forecast Budget 2018/19 £'000	Forecast Budget 2019/20 £'000
Local Policing Expenditure									
Police Officer Pay	42,793		42,793	41,650		41,650	42,817	43,852	44,553
Police Officer Overtime	1,864		1,864	1,819		1,819	1,819	1,819	1,819
Police Pensions	9,227		9,227	8,671		8,671	8,914	9,129	9,275
Police Staff	13,612		13,612	4,758	300	5,058	4,835	4,912	4,991
Police Staff Overtime	165		165	55		55	56	57	58
PCSO Pay & Allowances	4,787		4,787	4,968		4,968	5,047	5,128	5,210
Total Local Policing Expenditure	72,448		72,448	61,922	300	62,222	63,488	64,897	65,906
Business Support Expenditure									
Police Officer Pay	2,560		2,560	1,377		1,377	1,399	1,421	1,444
Police Officer Overtime	16		16	0		0	0	0	0
Police Pensions	2,894		2,894	2,757		2,757	2,812	2,869	2,926
Police Staff	9,446		9,446	2,906	100	3,006	2,952	3,000	3,048
Police Staff Overtime	18		18	0		0	0	0	0
Training	587		587	0		0	0	0	0
Other Employee Expenses	31		31	4		4	4	4	4
Premises Costs	4,080		4,080	3,750		3,750	3,863	3,979	4,098
Transport Costs	1,480		1,480	1,026		1,026	1,057	1,088	1,121
Supplies & Services	9,771	55	9,826	4,336	-12	4,324	4,816	4,898	4,983
Agency & Hosted Services	1,406		1,406	1,115		1,115	1,137	1,160	1,183
Total Business Support Expenditure	32,289	55	32,344	17,271	88	17,359	18,039	18,418	18,806
Collaboration Expenditure									
Regional Change team				171		171	174	177	179
Business Support				94		94	96	97	99
Athena - AMO				425		425	431	438	445
Collaboration Team - Change	1,895		1,895	1,758	-400	1,358	1,200	1,000	750
Collaboration Team - Athena	0		0	292		292	296	301	306
Armed Policing	2,380		2,380	2,410		2,410	2,449	2,488	2,528
CTC	0		0	0		0	0	0	0
Dogs Unit	842		842	752		752	764	776	789
Major Crime	3,211		3,211	3,131		3,131	3,181	3,232	3,284
Operational Planning	367		367	296		296	301	306	310
Procurement	268		268	268		268	272	277	281
PS Command	201		201	198		198	201	204	208
PSD	884		884	944		944	959	974	990
Roads Policing Unit	4,813		4,813	4,706		4,706	4,781	4,858	4,936
Scientific Services	2,671		2,671	2,563		2,563	2,604	2,646	2,688
CT and DE	622		622	630		630	640	651	661
ERSOU	2,121		2,121	2,359		2,359	2,397	2,435	2,474
Helicopter	490		490	490	-1	489	500	510	520
Kings Lynn PIC	940		940	913		913	931	950	969
Total Collaboration Expenditure	21,705		21,705	22,399	-401	21,998	22,177	22,318	22,415
To be collaborated									
Police Officer Pay				4,464		4,464	4,535	4,608	4,681
Police Officer Overtime				61		61	61	61	61
Police Pensions				949		949	964	979	995
Police Staff	Included in figures in the local policing and business support		Included in figures in the local policing and business support	15,129		15,129	15,371	15,617	15,866
Police Staff Overtime				126		126	126	126	126
Training				500		500	500	500	500
Other Employee Expenses				27		27	28	28	29
Premises Costs				91		91	93	96	99
Transport Costs				96		96	98	101	104
Supplies & Services				5,176		5,176	5,280	5,385	5,493
Agency & Hosted Services				296		296	302	308	314
Other Income				-635		-635	-635	-635	-635
Total Business Support Expenditure	0		0	26,278		26,278	26,722	27,174	27,634
OPCC									
Police Staff & Commissioner	954		954	977		977	993	1,009	1,025
Other Employee Expenses	4		4	2		2	2	2	2
Premises Costs	36		36	28		28	28	29	29
Transport Costs	19		19	25		25	26	26	26
Supplies & Services	230		230	196		196	199	202	205
Total OPCC Expenditure	1,219		1,219	1,229		1,229	1,248	1,268	1,287
Police ICT Company Subscription	25		25	60		60	60	60	60
Community Safety / Crime Reduction Grants	1,307		1,307	1,300		1,300	1,300	1,300	1,300
Ministry of Justice Victims' Grant	910		910	981		981	981	981	981
Capital Financing Costs									
Revenue Contribution to Capital	493		493	1,212		1,212	2,091	2,281	2,039
Interest	455		455	434		434	434	434	434
MRP	808		808	774		774	774	774	774
Total Capital Financing Costs	1,756		1,756	2,420		2,420	3,299	3,489	3,247
GROSS REVENUE EXPENDITURE	131,658	55	131,713	133,860	-13	133,847	137,314	139,906	141,637
Total Income	-2,126		-2,126	-1,376		-1,376	-1,376	-1,376	-1,376
NET REVENUE EXPENDITURE	129,532	55	129,587	132,484	-13	132,471	135,938	138,530	140,261
Contributions +To /- From Reserves	-395		-395	-1,980	13	-1,967			
NET BUDGET REQUIREMENT (NBR)	129,137	-55	129,192	130,504	0	130,504	135,938	138,530	140,261
Budget -Decrease / +Increase Year on Year	-1.5%		-1.4%	1.0%		1.0%	4.2%	1.9%	1.2%

Financed by:								
Formula Grant	79,791	55	79,847	79,431	79,431	78,637	77,850	77,072
Actual Grant Reductions	-5.11%		-5.11%	-0.52%	-0.52%	-1.00%	-1.00%	-1.00%
Ministry of Justice Victims' Grant	910		910	981	981	981	981	981
Precept	48,219		48,219	49,682	49,682	51,683	53,766	55,932
Collection Fund - Deficit / +Surplus	217		217	410	410			
TOTAL FINANCING	129,137	55	129,192	130,504	130,504	131,301	132,597	133,985
	-1.48%		-1.44%	0	0			
BUDGET GAP	0		0	-0	0	-4,638	-5,933	-6,276
	0		0	-0	0	-4,638	-1,295	-343
Band D Council Tax £	£181.35		£181.35	£183.15	£183.15	£186.79	£190.51	£194.30
Increase	£0.00		£0.00	£1.80	£1.80	£3.64	£3.72	£3.79
KEY ASSUMPTIONS INCLUDED IN THE FORECASTS ABOVE								
Council Tax base increases								
Actual	2.13%		2.13%	1.98%	1.98%			
Forecast						2.00%	2.00%	2.00%
Council Tax	0.00%		0.00%	0.99%	0.99%	1.99%	1.99%	1.99%
Tax base	265,892		265,892	271,265	271,265	276,690	282,224	287,869
Grant increase / Decrease (%)	-5.11%		-5.11%	-0.52%	-0.52%	-1.00%	-1.00%	-1.00%
Police officer pay rise (w.e.f 01/09)	1.00%		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Police staff pay rise	2.20%		2.20%	0.58%	0.58%	1.00%	1.00%	1.00%
Increment increase	1.00%		1.00%	0.60%	0.60%	0.60%	0.60%	0.60%
General Inflation	1.40%		1.40%	1.00%	1.00%	2.00%	2.00%	2.00%
Energy Inflation	3.50%		3.50%	1.50%	1.50%	3.00%	3.00%	3.00%